

Benefits Insights

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Implications of the 2024 Election on Employee Benefits and Health Care

Millions of Americans have submitted ballots for the 2024 presidential election, and voting concludes on Tuesday, Nov. 5. With a new presidential administration set to take over the White House in January, health care-related topics are a high-priority issue for many voters. Election results hold the potential to bring significant changes to employee benefits and health care for the next four years and possibly beyond. In addition to the presidency, majority control of the U.S. Senate and the U.S. House of Representatives are up for grabs, which have a major impact on legislation passed in the upcoming term.

Many polls show a close presidential race between Vice President Kamala Harris and former President Donald Trump. The policies and priorities of the winning candidate, along with state and local races, will shape the future of these critical areas, impacting employers and employees alike. As such, employers should understand potential implications and anticipate new policies and their associated challenges or opportunities.

This article is not a reflection of the author's beliefs but is a summarization of positions on health care-related topics from the candidates' official platforms, public statements on relevant issues and previous public policy records.

Health Care Reform

The outcome of the election could reshape U.S. health care policy, specifically in the following areas:

- **Affordable Care Act (ACA)**—Maintaining and strengthening the ACA has been a key part of Harris' campaign. She has proposed building on the provisions of the Inflation Reduction Act (IRA) by

making permanent expanded ACA subsidies. During his first term, Trump's administration pursued attempts to replace or partially repeal the ACA. However, Trump has issued no concrete plan to terminate the ACA in his 2024 campaign. Both platforms address the general concern of affordability in health care and emphasize the need for more competition while allowing Americans more health care options to choose from.

- **Medicare**—According to Trump's platform, his administration will "protect Medicare." The platform also plans to shift resources back to at-home senior care. Harris proposed a new benefit, "Medicare at Home," to offer beneficiaries the chance to get services and aids to help seniors stay in their homes long-term.
- **Medicaid**—According to KFF, a Harris administration would likely strengthen Medicaid by expanding health coverage and improving continuity of coverage. In contrast, a Trump administration may reduce federal spending on Medicaid by capping and cutting Medicaid financing and restricting Medicaid eligibility.

Prescription Drug Pricing

Prescription drug costs are a top concern for many Americans. Generally speaking, both presidential candidates want prescription drug transparency and competition. Both platforms show support for reforming the practices of pharmacy benefit managers (PBMs).



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Since the passing of the IRA, the Biden-Harris administration has negotiated drug prices for Medicare for some drugs. Its play capped insulin at \$35 for Medicare participants. Also, beginning in 2025, Medicare Part D prescription drug costs will be capped at \$2,000. However, there is still inflation in overall health care spending. As prescription drug costs rise, so do the costs of some plans.

According to the Harris platform, it intends to:

- Extend the \$35 cap on insulin and \$2,000 cap on out-of-pocket costs to all Americans, not just seniors.
- Accelerate the speed of Medicare prescription drug negotiations.
- Increase competition and demand transparency in the health care industry.

In 2020, the Trump administration capped insulin to \$35 a month through 2023 for qualifying Medicare Part D plans. Not all Part D plans participated. Looking forward, the Trump platform has indicated it will work to lower health care costs for health care and prescription drugs.

According to the Trump platform, it intends to:

- Increase transparency.
- Promote choice and competition.
- Expand access to new affordable health care and prescription drug options.

Reproductive Rights

Access to reproductive care is a centerpiece of the Harris agenda. Harris wants to make abortion affordable and easier for women to make those personal choices. She also expressed plans to protect rights to access contraception and fertility treatments, such as in vitro fertilization (IVF).

The Trump platform opposes late-term abortion while supporting policies that advance prenatal care and access to birth control and IVF. Trump views abortion as an issue for states to decide.

Family Policies

All ticket candidates have said they support the three main family policies: paid leave, child care and the child tax credit.

Specifically, candidates are in favor of offering paid family leave, reducing the cost of child care and increasing the child tax credit. The child tax credit has the most bipartisan support of the three major family policies. The Harris and Trump campaigns both provided detailed plans to grow the child tax credit, which differ. Harris supports including lower-income parents—those with no income—while Trump has expressed that only parents who meet income tax requirements should receive a credit.

Summary

As Election Day approaches, employers should understand how the election results may impact health care and employee benefit plans. In addition to high-profile federal races, state and local elections can also significantly impact benefits providers across the country and the employers they work with.

Reach out today for more guidance on employee benefits.